



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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**23 VAC 10-55-10, 20, 30, 60, 70, 80, 90 – Virginia Corn Excise Tax Regulations**  
**Department of Taxation**  
August 17, 2006

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### **Summary of the Proposed Amendments to Regulation**

The Department of Taxation (TAX) proposes to repeal Sections 23 VAC 10-55-10, 20, 30, 60, 70, 80 and 90 in the existing Corn Excise Tax Regulations (23 VAC 10-55). These sections provide no additional guidance to clear and unambiguous statutes (Sections 10, 60, 70, 80 and 90), are inconsistent with current statutes (Section 20), or were made obsolete by changes in the statutes (Section 30).

### **Result of Analysis**

The proposed repeal is not likely to have any significant impact.

### **Estimated Economic Impact**

§ 3.1 -1032 of the Code of Virginia states that it is in the public interest that farmers producing corn be permitted to express in a separate referendum whether assessments should be levied upon corn with revenues therefrom to be used in encouraging an expanded program of market development, education, publicity, research and promotion of the sale and use of corn. Section 23 VAC 10-55-20 (Declaration of public interest; definitions) of Virginia Corn Excise states that “revenues from the corn excise tax are to be used in encouraging an expanded program of market development, education, publicity, research, the promotion of the sales and use of corn.” Section 23 VAC 10-55-20 is being repealed to be consistent with language in § 3.1 -1032 of the Code which is more flexible with respect to whether the assessments should be levied and how much. Repeal of 23 VAC 10-55-20 will have no impact because it is not contradictory to language in the current Code Section.

Section 23 VAC 10-55-30 was made obsolete by the change in the statutes. Chapter 401 of the 1989 Acts of Assembly authorized an increase in the tax to one cent per bushel, which was ratified by referendum on September 7, 1989. Section 23 VAC 10-55-30 does not reflect this change and thus was made obsolete. Repeal of this obsolete section will have no impact.

Section 23 VAC 10-55-60 (Interest on assessment; collection of delinquent assessment) and Section 23 VAC 10-55-90 (Violation of a misdemeanor; penalty) are essentially identical in meaning to Code Sections § 3.1-1046 and § 3.1- 1049 respectively. Repealing Sections 60 and 90 will therefore have no impact. Sections 10, 70 and 80 are “reserved” and have no content. Thus repealing these sections will have no impact.

## **Businesses and Entities Affected**

The proposed repeal of these regulations will not significantly affect businesses and entities.

## **Localities Particularly Affected**

No localities are particularly affected.

## **Projected Impact on Employment**

The proposed repeal of these regulations will not affect employment.

## **Effects on the Use and Value of Private Property**

The proposed repeal of these regulations will not significantly affect the use and value of private property.

## **Small Businesses: Costs and Other Effects**

The proposed repeal of these regulations will not significantly affect small businesses.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed repeal of these regulations will not significantly affect small businesses.

## **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.H requires that such economic impact

analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.